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RUEHCV/AMEMBASSY CARACAS 0427
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RUEHUB/USINT HAVANA 0060

C O N F I D E N T I A L KINGSTON 001342

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DEPARTMENT FOR WHA/CAR (COLLINS), EB/ESC/IEC/EPC (MCMANUS)

E.O. 12958: DECL: 07/06/2016
TAGS: PGOV PREL PINR EPET KCOR JM

SUBJECT: JAMAICAN ELECTIONS: OPPOSITION CONFIDENT BUT ALSO

CONCERNED

REF: A. KINGSTON 1268

¶B. KINGSTON 555

1C. KINGSTON 418
1D. KINGSTON 925

Classified By: Ambassador Brenda Johnson, reasons 1.4 (b) and (d)

11. (C) Summary: In a July 3 meeting with Audley Shaw, opposition Jamaica Labor Party (JLP) Spokesman for Finance and Public Service, Shaw predicted that national elections would be called for late August or early September. He said that a series of scandals could open the door for the first JLP victory since 1989, and hoped that Jamaicans had grown weary of the "endemic corruption" of the ruling People's National Party. Shaw expressed concern about possible Venezuelan interference in the election, however, noting the JLP's recent public stance that the PNP was too friendly with Chavez and risked alienating the United States. While acknowledging that the JLP had no plans to alter or amend the PetroCaribe Agreement if elected, he decried the lack of oversight in the way the funds were disbursed, and claimed the JLP would make the process "transparent." If the Jamaican people do not opt for change at the upcoming elections, he concluded, it would mean the end of electoral politics for himself, and most likely for JLP leader Bruce Golding. End summary.

JLP: Late Summer Elections Likely

- 12. (C) In a meeting with Audley Shaw, opposition Jamaica Labor Party (JLP) Spokesman for Finance and Public Service, on July 3, Shaw predicted that national elections would be called for late August or early September. The conventional wisdom, he said, was that the new Prime Minister, Portia Simpson Miller of the People's National Party (PNP), who ascended to her position through internal party selection as leader, thus had yet to be given "a mandate of her own." further pointed to an ongoing cement scandal (refs. A and B) that refuses to go away, and which has hurt Simpson Miller's poll numbers. Unless called before October 2006, Simpson Miller risks having to wait until after the Cricket World Cup, which (if unsuccessful) could also have a deleterious effect on her approval rating (ref. C). (Note: Countries hosting Cricket World Cup matches in March and April 2007 have informally agreed not to hold elections in the six months prior to the event. End note.)
- 13. (C) Shaw dismissed rumors that the PNP might sabotage its own chances in the elections as a way to oust Simpson Miller

from her position as party leader. Without offering any corroborating evidence, he expressed his opinion that the administration and its leaders were too deeply entrenched in what he called "shady dealings" and "corrupt practices," all of which risk being uncovered if the JLP were to come to power. He added his concern that this election season could prove a violent one, alluding darkly to the murder of a PNP candidate-hopeful in recent months: Christine Hewitt, a music promoter who had hoped to be the PNP's candidate for South Trelawny. While he implied that Hewitt had run afoul of some powerful PNP leaders, he freely admitted that he lacked hard evidence.

14. (C) Shaw was also concerned about the potential that the Venezuelans might become involved) financially or otherwise) in the general election in Jamaica. He noted that former Prime Minister P.J. Patterson and Venezuelan President Hugo Chavez had enjoyed a close relationship, and opined that the PNP was ideologically closer to Chavez than the JLP would ever be, due to its "left-wing roots."

Entrenched and Endemic Corruption

15. (C) While acknowledging that his own budget presentation (ref. D) drew heavily upon the use of funds from PetroCaribe, Shaw drew a distinction with what he called the "endemic corruption" of the PNP, bred by 17 years in power. Despite Petroleum Corporation of Jamaica's Group Chief Ruth Potopsingh's assertion that the GOJ administration has tabled an amendment to the Petroleum Act that would establish an independent board to oversee the use of PetroCaribe funds, Shaw stated that no such amendment was before Parliament yet. He decried the "lack of transparency," noting that funds were being spent with no Parliamentary oversight. In

particular, he referred to road repair, eye surgery in Cuba for indigent Jamaicans, and energy-saving lightbulbs (also from Cuba) as three examples. Pressed by Econoff for further details, however, Shaw admitted that this was the "word on the street," but that once he had proof, he would share it. Post will report any developments septel.

16. (C) Shaw also singled out two current and high-profile cases that "demonstrated the PNP's true character." The cement scandal (refs. A and B) is taken so seriously that Shaw tabled a motion in Parliament on June 27 to censure Paulwell for, in his view, "deliberately misleading the House" by downplaying the extent of the problem. The other brewing controversy is known as the "Whitehouse" saga, and revolves around accusations that a "genetically and politically connected" Jamaican businessman ) Alston Stewart - is responsible for some USD 41 million in cost overruns at a hotel development in Westmoreland. He further maintains that the PNP buried the "Hylton Report" which detailed the wrongdoing, and which only came to light when leaked to fellow JLP MP Karl Samuda. Shaw pointed out that these two instances had made the newspapers, but claimed that he had anecdotal evidence of further abuses of power like these, and hinted that the campaign season may be a vicious one if there was more hard evidence forthcoming from his sources.

Punished at the Polls?

17. (C) Econoff questioned why, after 17 years under PNP administrations, with a real decline in standards of living, as well as an inexorable increase in violent crime, the PNP still led comfortably in all polls. Shaw acknowledged that the JLP had done a poor job of conveying its vision to the ordinary Jamaican. "We are rather like your Democratic Party at the moment," he noted. "People know that we are the Opposition, but they are less clear that we have a viable alternative." He further expressed his frustration that the former JLP leader, Edward Seaga, had stayed on for far too long. (Note: Seaga stepped down after 30 years in early 2005,

pushed out by a group known in the JLP as "The Young Turks", and of which Shaw claims to be a member. End note.)

- 18. (C) Shaw was upbeat about the JLP's prospects, however. He maintained that the pollsters in Jamaica tend to be biased towards the PNP, and that despite the divergence of approximately twenty points between the PNP and the JLP, "the campaign had not yet begun in earnest." (Note: Under the Westminster model, the ruling party can call an election with as little as 21 days notice. End note.) He contrasted the consistent and entrenched party affiliation seen in urban areas with a more fluid, issue-oriented voting pattern among rural communities, and stated that the JLP would focus heavily on the theme of change, hoping to appeal to a populace grown weary of crime and corruption.
- 19. (C) On a personal level, however, Shaw was more rueful. He stated flatly that if the electorate chose the PNP once again, despite years of stagnation, he would retire from politics. He also confirmed Post's suspicion that a JLP defeat would spell the end of Bruce Golding's tenure as party leader. He refused to speculate, however, on a possible successor.

Comment

110. (C) Shaw's prognostication of elections at the end of the summer reinforces what Emboffs have heard from other contacts. The PNP is hoping to finalize its list of candidates for Parliamentary seats by mid-July, which would offer a month of lead-time for the campaign. His comments regarding Venezuela, however, should be taken with a pinch of salt. While Shaw was certainly tailoring his message for a USG audience, it is certainly true that the JLP would be more wary of Venezuela's intentions. Nevertheless, the JLP sees PetroCaribe as a useful tool for development. It is remotely possible that Shaw was suggesting that the USG align itself with the JLP more closely, but it is more likely that he was sending a message that the USG should consider alternatives that it can offer to the region to counter PetroCaribe; alternatives with real, financial teeth. End comment. JOHNSON